

S E C R E T

CENTRAL INTELLIGENCE AGENCY  
Washington, D. C.

GENERAL ORDER  
NO. 23

19 September 1949

SUBJECT: Management Improvement Activities.

1. In accordance with the expressed desire of the President to improve the operational efficiency of government agencies, the attached statement of management improvement activities for CIA has been submitted to the Bureau of the Budget with the current budget estimate.
2. This statement is hereby announced as an operating policy of CIA. Each Assistant Director and Staff Chief will cooperate fully to the end that the spirit of this program will be effectively implemented.

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R. H. HILLENKOETTER  
Rear Admiral, USN

Director of Central Intelligence

ATTACHMENT: (1)  
Statement of Management Improvement  
Activities for CIA.

DISTRIBUTION: Special  
Assistant Directors  
Staff Chiefs

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CENTRAL INTELLIGENCE AGENCY

STATEMENT OF MANAGEMENT IMPROVEMENT ACTIVITIES  
FOR THE CURRENT AND BUDGET FISCAL YEARS

I. Special or Priority Problems

1. A primary problem not easily susceptible to Agency management improvement activity is the interdepartmental coordinating responsibility of CIA. This responsibility may be exercised only in accordance with directives of the National Security Council, and in actual practice is normally conducted under circumstances requiring prior concurrence of members of the Intelligence Advisory Committee. The responsibility for coordination has been most difficult because it has not carried with it the authority for directing action.

2. Another problem is the covert intelligence and operations responsibility which, by its very nature, does not lend itself to normal management control concepts.

3. A further complicating factor is the difficulty in applying mechanical work standards to the production of intelligence estimates and the substantive programs supporting such production.

II. Management Improvement Activities

1. Management improvement schedule for substantive matters for the current and budget year:

a. Reorganization of covert activities in accordance with instructions from the National Security Council.

b. Development of an integrated intelligence production program, interdepartmental in scope, including:

- (1) Establishment of priorities in areas and subjects.
- (2) More adequate allocation of responsibilities between CIA and IAC agencies to prevent unnecessary duplication in either research or production.
- (3) Determination of deficiencies or gaps in available intelligence information and the preparation of adequate requirements to correct such deficiencies.

(4) Improvement of and increase in guidance for collection effort to avoid non-productive or misdirected efforts inherent generally in purely opportunistic collection action.

c. Further improvement of collection action by:

- (1) Determining any continuing unnecessary duplication of collection responsibilities in the field, and taking steps to eliminate those found.
- (2) Strengthening liaison control procedures.
- (3) Readjusting the scope of collection facilities to provide more effectiveness in meeting collection requirements.
- (4) Increasing the speed of collection to meet production priorities.
- (5) Improving coordination of field effort, particularly in overt foreign posts.
- (6) Developing machine methods and techniques for recording, reproduction and dissemination of unevaluated information and intelligence.
- (7) Developing improved methods for assessing the value and effectiveness of collection facilities.

d. Constant re-evaluation of dissemination action to:

- (1) Insure that all who need to know, and only those, receive unevaluated information and intelligence.
- (2) Determine the feasibility and capability of increasing the scope and effectiveness of dissemination.
- (3) Increase the speed of dissemination.

e. Continuing study of possibilities for increasing centralization of intelligence services in CIA, and elimination of similar functions in the IAC agencies.

2. Management improvement schedule in overall support of substantive matters for the current and budget year:

a. Continuing survey of reproduction needs and facilities to:

- (1) Establish priorities.
- (2) Determine and establish better and more economical means and methods, including supply, techniques and machines.
- (3) Eliminate unnecessary projects and multiple duplication in several agencies of the same material.
- (4) Reduce numbers of copies to a minimum to meet actual current needs.

b. Research into and implementation of improvements in Budget development, review, presentation and control.

c. Development and implementation of improved machines methods for handling records and reporting in connection with:

- (1) Personnel matters
- (2) Supply accounts
- (3) Payrolls

d. Program for the maximum standardization of equipment and other supply items.

e. Continuing the forms control program.

f. Identification and reduction of backlogs in both substantive and support activities.

g. Improvement of the records management program.

h. Development and implementation of a career management program for CIA personnel.

i. Continuing survey of the distribution system to increase the speed of delivery of both administrative and intelligence material and reduce delays incident to improper routing.

j. Continuing survey of the organization and review of functions, personnel requirements, methods and procedures to increase efficiency and effect possible economies.

### III. Responsibility for Action

1. The "top official" designated to supervise the management improvement program in CIA is the Agency Executive.

2. A Coordination, Operations and Policy Staff has been established to supervise inter-departmental relationships and substantive intelligence programs to the end that:

a. ~~Intelligence services of common concern will be continually more centralized.~~

b. Overlaps and duplications in the collection, production and dissemination of intelligence and unevaluated information will be reduced or eliminated.

c. Effectiveness of the Collection effort and the substance of production will be continually improved.

3. A small, permanent management staff comprised of fifteen (15) employees is engaged in constant studies and surveys within the Agency to determine and recommend possible improvements and economies. Improved methods and programs at a minimum cost is its primary objective.

4. Office and Staff Chiefs receive indoctrination in the principles of, and the necessity and personal responsibility for, strong executive action toward management improvement activities within their sphere of operations, both administratively and substantively from a program viewpoint.

5. Budget controls are exercised with strong, central supervision to insure flexibility of operations without waste, and to the utmost possible extent without non-productive work.

6. An inspection staff attached to the Office of Inspection and Security performs special investigations of operating and administrative activities in response to directives from the Director of CIA and the recommendations submitted are coordinated from a management viewpoint to the end that deficiencies may be rectified and improvements achieved.

#### IV. Anticipated Progress of the Program of Management Improvement Activities

1. In a new agency of this nature, the functions of which are based on interdepartmental relationships and mutual support programs, with changing missions and responsibilities, and with the peculiar and unique function of covert activities abroad, it is not yet practicable to schedule management improvement activities on a set time schedule basis.

#### V. General Statement

1. Each of the improvement program activities listed in Section II above requires current and continuing attention. Most of the problems are dependent to some extent on a factor or factors which cannot be directly controlled by the Agency and are subject to delays and inter-departmental discussions and agreements which require varying periods of time for completion. Even the apparently purely administrative problems are affected by this situation.

2. a. The Coordination, Operations and Policy Staff, in carrying out its responsibilities for interdepartmental coordination in conjunction with the IAC agencies and the National Security Council, must remain abreast of difficulties and problems arising in this field, and is charged with responsibility for recommending CIA action to solve such problems in the most efficient and economical manner possible to obtain. Policy and program inadequacies detected in Management Staff surveys are also referred to the Coordination, Operations and Policy Staff for action and proper resolution.

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b. The Management Staff, in carrying out its broad responsibilities for developing and recommending the organizational structure, assignment of functions, and personnel staffing of the Agency, with the attendant problems of administrative procedures and support, is engaged in daily constant surveys of some portion or portions of the Agency. Problems involving lack of adequate policy guidance or programs determinations are detected at their source in these surveys and placed in proper channels for solution.

c. The two staffs referred to above, together with the Agency Budget Officer and the Inspection Staff of the Office of Inspection and Security, will be required to coordinate closely to the extent that the Executive, in conducting the overall Management Improvement Program, will be in a position to render the greatest possible assistance to the Director in carrying out the desires of the Bureau of the Budget and the President.